

Created in 1993 and managed by the Utah Division of State History, the [Utah State Historic Preservation Tax Credit](#) program offers a 20% tax credit (not just deduction) to owners who rehabilitate qualified buildings listed on the National Register of Historic Places. **For each \$1 of tax credit, the program has leveraged at least \$5 of private investment.** In addition to being listed, the program requires:

- Project costs exceed \$10,000.
- The rehabilitation follows the [Secretary of the Interior's Standards for Rehabilitation](#).
- The building is used for residential purposes going forward.

Purpose: To promote historic preservation of **residential** properties through a 'carrot' approach of a 20% tax incentive to complete appropriate treatments. This meshes with the National Park Service's Federal Historic Rehabilitation Tax Credit program for **income-producing** properties executed by the Utah Division of State History. The work may include interior and/or exterior repair, rehabilitation or restoration, including historic, decorative, and structural elements as well as mechanical systems. Benefit to the State is a non-regulatory means of promoting historic preservation, and preserving our historic landscapes, while also providing citizens with a chance for an economic relief to protecting these important resources.

Staffing: One full-time employee is responsible for this program, but this employee also manages the Federal Historic Rehabilitation Tax Credit as overseen by the National Park Service. The employee is funded with 60% federal-funds and 40% State general funds.

Relevant Code & Rules: This program shares responsibilities with the Utah Tax Commission; thus, there are Code and Rules in both Agencies:

[Utah Code Annotated 59-10-1006: Historic Preservation Tax Credit](#)

[Utah Code Annotated 59-7-609: Historic Preservation Tax Credit](#)

Utah Administrative Rule R455-11: Historic Preservation Tax Credit

Utah Administrative Rule R865-9i-4i: Historic Preservation Tax Credits

Process:

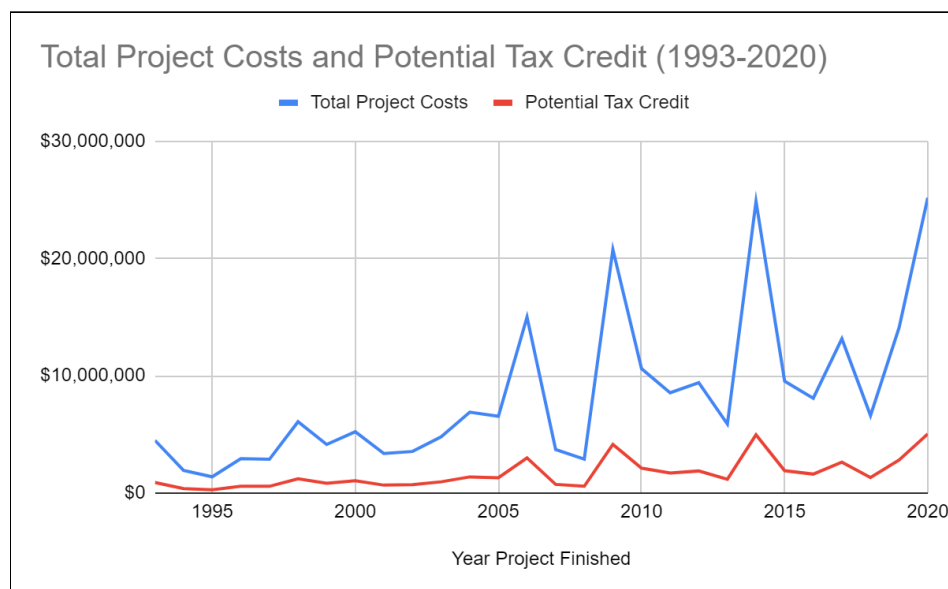
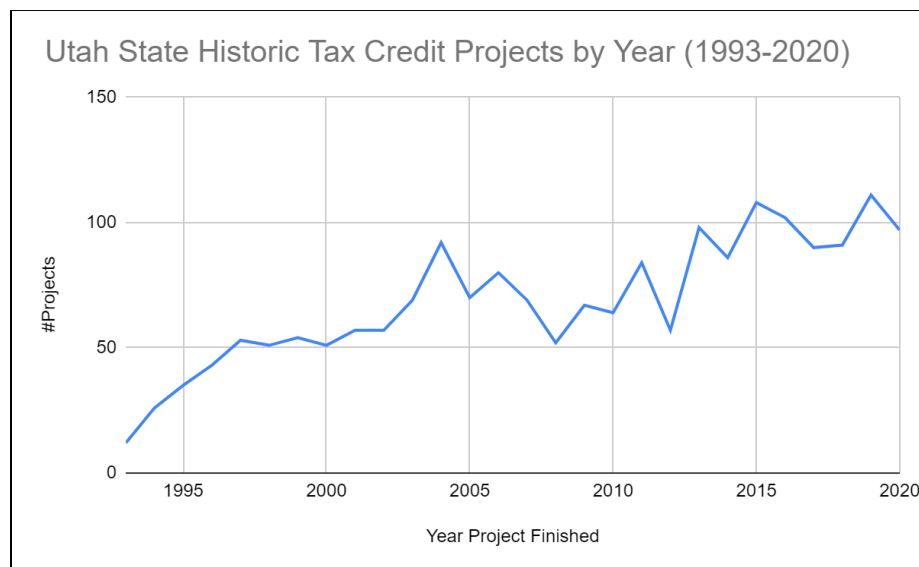
1. Applicant proposes work plan via Part 1 + 2 State Tax Credit Application.
2. State History reviews work plan for conformance with the *Secretary of the Interior's Standards for Rehabilitation*. Reviewer issues Approval, Conditional Approval, or Denial with explanation.
3. If Approval or Conditional Approval is issued, the applicant carries-out the project and submits a Part 3 Application when complete.
4. State History reviews completed work plan against proposed work plan to ensure compliance with the *Standards*. Reviewer issues Approval, Conditional Approval, or Denial with explanation.
5. If approved, the State reviewer also provides the applicant with a signed and stamped TC-40H tax form.
6. If the applicant wishes to appeal any of the above decisions, they may do so in writing to the Director of State History within 30 days of the decision date.
7. State reviewer does not provide legal or tax advice in regards to the program. Applicants are advised to speak with a tax professional if questions arise that are outside of the program regulations.

Numbers: Below is the project data by year since the program's inception. The "Total Project Costs" field reflects private investment generated. Average project costs and potential tax credits vary from year to year due to the sporadic completion of large scale projects that are paired with the Federal Rehabilitation Tax Credit. State History does NOT track tax credit financials after close of the process; thus these numbers are merely the potential tax credit valuation, not actuals.

Program Snapshot (1993 to 2020)

Program Totals Since 1993

- # of Projects: **1926**
- Total Private Investment: **\$232,582,573**
- Total Tax Credit Potential Since Inception: **\$46,516,515**
- **Thus for every \$1 in tax credits leveraged \$5 in private investment**



State Tax Historic Tax Credit Data by Year (1993-2020)

Year Project Finished	#Projects	Total Project Costs	Potential Tax Credit	Avg Project Cost	Avg Potential Tax Credit
1993	12	\$4,493,083	\$898,617	\$374,424	\$74,885
1994	26	\$1,934,212	\$386,842	\$74,393	\$14,879
1995	35	\$1,384,917	\$276,983	\$39,569	\$7,914
1996	43	\$2,935,981	\$587,196	\$68,279	\$13,656
1997	53	\$2,877,492	\$575,498	\$54,292	\$10,858
1998	51	\$6,080,147	\$1,216,029	\$119,219	\$23,844
1999	54	\$4,142,946	\$828,589	\$76,721	\$15,344
2000	51	\$5,232,034	\$1,046,407	\$102,589	\$20,518
2001	57	\$3,370,047	\$674,009	\$59,124	\$11,825
2002	57	\$3,546,625	\$709,325	\$62,221	\$12,444
2003	69	\$4,799,303	\$959,861	\$69,555	\$13,911
2004	92	\$6,896,143	\$1,379,229	\$74,958	\$14,992
2005	70	\$6,542,560	\$1,308,512	\$93,465	\$18,693
2006	80	\$15,002,462	\$3,000,492	\$187,531	\$37,506
2007	69	\$3,706,518	\$741,304	\$53,718	\$10,744
2008	52	\$2,891,081	\$578,216	\$55,598	\$11,120
2009	67	\$20,755,759	\$4,151,152	\$309,787	\$61,957
2010	64	\$10,608,383	\$2,121,677	\$165,756	\$33,151
2011	84	\$8,548,879	\$1,709,776	\$101,772	\$20,354
2012	57	\$9,412,814	\$1,882,563	\$165,137	\$33,027
2013	98	\$5,880,242	\$1,176,048	\$60,002	\$12,000
2014	86	\$24,862,247	\$4,972,449	\$289,096	\$57,819
2015	108	\$9,542,098	\$1,908,420	\$88,353	\$17,671
2016	102	\$8,083,614	\$1,616,723	\$79,251	\$15,850
2017	90	\$13,154,698	\$2,630,940	\$146,163	\$29,233
2018	91	\$6,609,594	\$1,321,919	\$72,633	\$14,527
2019	111	\$14,112,270	\$2,822,454	\$127,138	\$25,428
2020	97	\$25,176,424	\$5,035,285	\$259,551	\$51,910
Totals	1,926	\$232,582,573	\$46,516,515	\$122,511 (avg)	\$24,502 (avg)



Example Project:

Beckstead Butterfield House
13030 S. Redwood Road
Riverton, UT 84065

Total Project Cost: \$1,517,000
Federal Tax Credit: \$284,200
State Tax Credit: ~\$100,000

This was a paired State and Federal Rehabilitation Tax Credit project. Although the building is only partially residential, therefore generating a much smaller State tax credit, the combined incentives **spurred a total of \$1,517,000 in private investment**. The building is now being used for mixed use office and residential rental space.

The credits not only generated private investment but enabled the project's applicant to restore and rehabilitate a number of historic elements that had been altered and left to deteriorate over the years, reactivating a historically -significant building along a prominent intersection in Riverton.

